GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:2820
ANSWERED ON:01.08.2002
PROSPECTS FOR FILM INDUSTRY
P.D. ELANGOVAN

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) the details of the Indian films produced during the last three years with the help of foreign funding partially or wholly;

(b) the steps taken by the Government to check and monitor any illegal inflow of foreign funds into Indian Entertainment Industry;

(c) whether the Government have any plans to stop the fast declining film industrial prospects and to encourage Indian film Industry which feeds directly and indirectly to millions of daily workers; and

(d) if so, the details thereof?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING (SMT. SUSHMA SWARAJ)

(a) As the film industry in India is in the private sector, Government does nothave any information on the details of Indian films produced with foreign funding partially or wholly.

(b),(c)&(d): Checking of illegal inflow of foreign funds is governed by relevant laws and is handled by the law enforcement agencies. Government has, however, facilitated access of the film industry to institutional finance by including `Entertainment Industry including films` as an `approved activity` under `industrial concern` in the Industrial Development Bank of India Act1964, which has made it possible for Industrial Development Bank of India tofinance projects of the film industry. In addition, the Reserve Bank of Indiahas issued guidelines to commercial banks to facilitate the financing of film related projects. Government has also removed restrictions on foreign direct investment in films to promote legal inflow of foreign funds.